[DISCUSSION DRAFT]

MAY 17, 2007

TITLE I—PROMOTING ENERGY EFFICIENCY

Subtitle A—Appliance Efficiency

SEC. 101. ENERGY STANDARDS.

(a) APPLIANCES.—The Energy Policy and Conservation Act is amended as follows:

(1) DEHUMIDIFIERS.—Section 325(cc)(2) (42 U.S.C. 6295(cc)(2)) is amended to read as follows:

''(2) Dehumidifiers manufactured on or after October 1, 2012, shall have an Energy Factor that meets or exceeds the following values:

"Product Capacity (pints/day):	**Minimum Energy Factor (liters/ KWh)**
Up to 35.00	1.35
35.01-45.00	1.50
45.01-54.00	1.60
54.01-75.00	1.70
Greater than 75.00	2.5".

(2) RESIDENTIAL CLOTHESWASHERS AND RESIDENTIAL DISHWASHERS.—Section 325(g) (42 U.S.C. 6295(g)) is amended by adding at the end the following new paragraphs:

''(9) Clotheswashers manufactured on or after January 1, 2011, shall have—

''(A) a Modified Energy Factor of at least 1.26; and

''(B) a water factor of not more than 9.5.

''(10) No later than December 31, 2011, the Secretary shall publish a final rule determining whether to amend the standards in effect for clotheswashers manufactured on or after January 1, 2015. Such rule shall contain such amendment, if any.

''(11) Dishwashers manufactured on or after January 1, 2010, shall—

''(A) for standard size dishwashers not exceed 355 kwh/year and 6.5 gallon per cycle; and

''(B) for compact size dishwashers not exceed 260 kwh/year and 4.5 gallons per cycle.

''(12) No later than January 1, 2015, the Secretary shall publish a final rule determining whether to amend the standards for dishwashers manufactured on or after January 1, 2018. Such rule shall contain such amendment, if any.''.

(3) ENERGY CONSERVATION STANDARD.—Section 321(6)(A) (42 U.S.C. 6291(6)(A)) is amended by striking ''or, in the case of'' and inserting ''and, in the case of residential clotheswashers, residential dishwashers,''.

(4) REFRIGERATORS AND FREEZERS.—Section 325(b) (42 U.S.C. 6295(b)) is amended by adding at the end the following new paragraph:

''(4) Not later than December 31, 2010, the Secretary shall publish a final rule determining whether to amend the standards in effect for refrigerators, refrigerator-freezers, and freezers manufactured on or after January 1, 2014. Such rule shall contain such amendment, if any.''.

(b) ENERGY STAR.—Section 324A(d)(2) of the Energy Policy and Conservation Act (42 U.S.C. 6294a(d)(2)) is amended by striking ''January 1, 2010'' and inserting ''July 1, 2009''.

SEC. 102. MOTOR EFFICIENCY STANDARDS.

(a) DEFINITIONS.—Section 340(13) of the Energy Policy and Conservation Act (42 U.S.C. 6311(13)) is amended—

(1) by redesignating subparagraphs (B) through (H) as subparagraphs (C) through (I), respectively; and

(2) by striking the text of subparagraph (A) and inserting the following: ''The term 'general purpose electric motor (subtype I)' means any motor that meets the definition of 'General Purpose' as established in the final rule issued by the Department

of Energy for 'Energy Efficiency Program for Certain Commercial and Industrial Equipment: Test Procedures, Labeling, and Certification Requirements for Electric Motors' (10 CFR 431), as in effect on the date of enactment of the [short title].

''(B) The term 'general purpose electric motor (subtype II)' means motors incorporating the design elements of a general purpose electric motor (subtype I) that are configured as one of the following:

''(i) U-Frame Motors.

''(ii) Design C Motors.

''(iii) Close-coupled pump motors.

''(iv) Footless motors.

''(v) Vertical solid shaft normal thrust motor (as tested in a horizontal configuration).

''(vi) 8-pole motors (~900 rpm).

''(vii) All poly-phase motors with voltages up to 600 volts other than 230/460 volts.''.

(b) STANDARDS.—Section 342(b) of the Energy Policy and Conservation Act (42 U.S.C. 6313(b)) is amended by striking the text of paragraph (1) and inserting the following: ''(A) Each general purpose electric motor (subtype I), except as provided in subparagraph (B), with a power rating of 1 horsepower or greater, but not greater than 200 horsepower, manufactured (alone or as a compo-

nent of another piece of equipment) after the 36-month period beginning on the date of enactment of the [short title], shall have a nominal full load efficiency not less than as defined in NEMA MG-1 (2006) Table 12-12.

''(B) Each fire pump motor manufactured (alone or as a component of another piece of equipment) after the 36-month period beginning on the date of enactment of the [short title], shall have nominal full load efficiency not less than as defined in NEMA MG-1 (2006) Table 12-11.

''(C) Each general purpose electric motor (subtype II) with a power rating of 1 horsepower or greater, but not greater than 200 horsepower, manufactured (alone or as a component of another piece of equipment) after the 36-month period beginning on the date of enactment of the [short title], shall have a nominal full load efficiency not less than as defined in NEMA MG-1 (2006) Table 12-11.

''(D) Each NEMA Design B, general purpose electric motor with a power rating of more than 200 horsepower, but not greater than 500 horsepower, manufactured (alone or as a component of another piece of equipment) after the 36-month period beginning on the date of enactment of the [short title], shall have a nominal full load

efficiency not less than as defined in NEMA MG-1 (2006) Table 12-11.''.

SEC. 103. RESIDENTIAL BOILERS.

Section 325(f) of the Energy Policy and Conservation Act (42 U.S.C. 6925(f)) is amended—

(1) in the subsection heading, by inserting ''AND BOILERS'' after ''FURNACES'';

(2) in paragraph (1), by striking ''except that'' and all that follows through ''(B)'' and inserting ''except that'';

(3) by redesignating paragraph (3) as paragraph (4); and

(4) by inserting after paragraph (2) the following:

''(3) BOILERS.—

''(A) IN GENERAL.—Subject to subparagraph (B), boilers manufactured on or after September 1, 2012, shall meet the following requirements:

Boiler Type	Minimum Annual Fuel Utilization Efficiency	Design Requirements
Gas Hot Water	82%	No Constant Burning Pilot, Automatic Means for Adjusting Water Temperature
Gas Steam	80%	No Constant Burning Pilot

Boiler Type	Minimum Annual Fuel Utilization Efficiency	Design Requirements
Oil Hot Water	84%	Automatic Means for Adjusting Temperature
Oil Steam	82%	None
Electric Hot Water	None	Automatic Means for Adjusting Temperature
Electric Steam	None	None

''(B) AUTOMATIC MEANS FOR ADJUSTING WATER TEMPERATURE.—

''(i) IN GENERAL.—The manufacturer shall equip each gas, oil and electric hot water boiler, except boilers equipped with tankless domestic water heating coils, with automatic means for adjusting the temperature of the water supplied by the boiler to ensure that an incremental change in inferred heat load produces a corresponding incremental change in the temperature of water supplied.

''(ii) SINGLE INPUT RATE.—For a boiler that fires at one input rate this requirement may be satisfied by providing an automatic means that allows the burner or heating element to fire only when such means has determined that the inferred heat load cannot be met by the residual heat of the water in the system.

''(iii) NO INFERRED HEAT LOAD.—When there is no inferred heat load with respect to a hot water boiler, the automatic means described in clause (i) and (ii) shall limit the temperature of the water in the boiler to not more than 140 degrees Fahrenheit.

''(iv) OPERATION.—A boiler described in clause (i) or (ii) shall be operable only when the automatic means described in clauses (i), (ii) and (iii) is installed.''.

SEC. 104. REGIONAL VARIATIONS IN HEATING OR COOLING STANDARDS.

(a) CONSUMER APPLIANCES.—Section 325(o) of the Energy Policy and Conservation Act (42 U.S.C. 6925(o)) is amended by adding at the end the following new paragraph:

''(6)(A) The Secretary may establish regional standards for space heating and air conditioning products, other than window-unit air-conditioners and portable space heaters. For each space heating and air conditioning product, the Secretary may establish no more than three regions with differing standards. Any standards set for any such region shall achieve the maximum level of energy savings that are technically feasible and economically justified within that region. Regional boundaries shall follow State

borders and only include contiguous States (except Alaska and Hawaii).

''(B) If the Secretary establishes regional standards, it shall be unlawful under section 332 to offer for sale at retail, sell at retail, or install noncomplying products except within the specified regions.

''(C)(i) Except as provided in clause (ii), no product manufactured to a regional standard established pursuant to subparagraph (A) shall be distributed in commerce without a prominent label affixed to the product which includes at the top of the label, in print of not less than 14-point type, the following: 'It is a violation of Federal law for this product to be installed in any State outside the region shaded on the map printed on this label.'. Below this notice shall appear a map of the United States with clearly defined State boundaries and names, and with all States in which the product meets or exceeds the standard established pursuant to subparagraph (A) shaded in a color or a manner as to be easily visible without obscuring the State boundaries and names. Below the map shall be printed on each label the following: 'It is a violation of Federal law for this label to be removed, except by the owner and legal resident of any single-family home in which this product is installed.'.

''(ii) A product manufactured that meets or exceeds all regional standards established under this paragraph shall bear a prominent label affixed to the product which includes at the top of the label, in print of not less than 14-point type the following: 'This product has achieved an energy efficiency rating under Federal law allowing its installation in any State.'.

''(D) Manufacturers of space heating and air conditioning equipment subject to regional standards established under this paragraph shall obtain and retain records on the intended installation locations of the equipment sold, and shall make such records available to the Secretary on request.''.

(b) INDUSTRIAL EQUIPMENT.—Section 342(a) of the Energy Policy and Conservation Act (42 U.S.C. 6313(a)) is amended by adding at the end the following new paragraph:

''(10)(A) The Secretary may establish regional standards for space heating and air conditioning products subject to this subsection. For each space heating and air conditioning product, the Secretary may establish no more than three regions with differing standards. Any standards set for any such region shall achieve the maximum level of energy savings that are technically feasible and economically justified within that region. Regional bound-

aries shall follow State borders and only include contiguous States (except Alaska and Hawaii).

''(B) If the Secretary establishes regional standards, it shall be unlawful under section 345 to offer for sale at retail, sell at retail, or install noncomplying products except within the specified regions.

''(C) Manufacturers of space heating and air conditioning equipment subject to regional standards established under this paragraph shall obtain and retain records on the intended installation locations of the equipment sold, and shall make such records available to the Secretary on request.''.

SEC. 105. PROCEDURE FOR PRESCRIBING NEW OR AMENDED STANDARDS.

Section 325(p) of the Energy Policy and Conservation Act (42 U.S.C. 6925(p)) is amended—

(1) by striking paragraph (1); and

(2) by redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively.

SEC. 106. EXPEDITING APPLIANCE STANDARDS RULEMAKINGS.

Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6925) is amended by adding at the end the following new subsection:

''(hh) EXPEDITED RULEMAKING FOR CONSENSUS STANDARDS.—(1) The Secretary shall proceed with an expedited rulemaking based on an energy conservation standard or test procedure recommended by interested persons, if—

''(A) interested persons, demonstrating significant and broad support from manufacturers of a covered product, States, and environmental, energy efficiency, and consumer advocates, submit a joint comment recommending a consensus energy conservation standard or test procedure; and

''(B) the Secretary determines that the joint comment includes evidence which, assuming no other evidence were considered, provides an adequate basis for determining that the proposed consensus energy conservation standard or test procedure proposed in the joint comment complies with the provisions and criteria of this Act, including subsection (o), that apply to the type or class of covered products covered by the joint comment.

''(2) Notwithstanding subsection (p) and section 336(a), if the Secretary receives a joint comment that meets the criteria described in paragraph (1), the Secretary shall proceed with an expedited rulemaking with re-

spect to the standard or test procedure proposed in the joint comment as follows:

''(A) Not later than 60 days after receipt of the joint comment, with a maximum of two 30-day extensions at the Secretary's discretion, the Secretary shall publish a determination as to whether the proposed standard or test procedure in the joint comment meets the criteria described in paragraph (1).

''(B) If the Secretary determines that the proposed consensus standard or test procedure in the joint comment meets the criteria described in paragraph (1), not later than 60 days after such determination the Secretary shall publish a proposed rule proposing the consensus standard or test procedure included in the joint comment.

''(C) Notwithstanding paragraphs (1) and (2) of subsection (p), the public comment period with respect to such a proposed rule shall be 30 days after publication of the proposed rule in the Federal Register.

''(D) Notwithstanding section 336(a), the Secretary may waive the holding of a public hearing with respect to the proposed rule.

''(E) Notwithstanding subsection (p)(3), the Secretary may publish a final rule at any time after

60 days after publication of the proposed rule in the Federal Register, and shall publish a final rule within 120 days after publication of the proposed rule in the Federal Register, plus any extension of up to 60 days as the Secretary considers necessary for reviews conducted by individuals who are not employees of the Department of Energy.''.

SEC. 107. CORRECTION OF LARGE AIR CONDITIONER RULE ISSUANCE CONSTRAINT.

(a) DEFINITIONS.—Section 340 of the Energy Policy and Conservation Act (42 U.S.C. 6311) is amended by adding the following new paragraphs at the end:

''(22) The term 'single package vertical air conditioner' means air-cooled commercial package air conditioning and heating equipment, factory assembled as a single package having its major components arranged vertically, which is an encased combination of cooling and optional heating components, is intended for exterior mounting on, adjacent interior to, or through an outside wall, and is powered by a single-phase or three-phase current. It may contain one or more separate indoor grilles, outdoor louvers, various ventilation options, indoor free air discharge, ductwork, well plenum, or sleeve. Heating components may include electrical resistance, steam,

hot water, or gas, but may not include reverse cycle refrigeration as a heating means.

''(23) The term 'single package vertical heat pump' means a single package vertical air conditioner that utilizes reverse cycle refrigeration as its primary heat source, that may include secondary supplemental heating by means of electrical resistance, steam, hot water, or gas.''.

(b) STANDARDS.—Section 342(a) of the Energy Policy and Conservation Act (42 U.S.C. 6313(a)) is amended—

(1) in each of paragraphs (1) and (2) by inserting after ''heating equipment'' in the first sentence '', including single package vertical air conditioners and single package vertical heat pumps,'';

(2) in paragraph (6)(A)(ii)—

(A) by striking ''5'' and inserting ''2'';

(B) by striking ''the effective date of a standard'' and inserting ''January 10, 2010, or beginning on the effective date of the most recent revision made under clause (i),''; and

(C) by adding the following new clause at the end:

''(iii) The Secretary may only initiate a rulemaking under clause (ii) for a particular product so long as any

standard established under a previous rulemaking with respect to that product has become effective.'';

(3) in each of paragraphs (7), (8), and (9) by inserting after ''heating equipment'' in the first sentence '', excluding single package vertical air conditioners and single package vertical heat pumps,'';

(4) in paragraph (7) by adding at the end the following new subparagraphs:

''(D) The minimum seasonal energy efficiency ratio of air-cooled three-phase electric central air conditioners and central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), split systems, shall be 13.0.

''(E) The minimum seasonal energy efficiency ratio of air-cooled three-phase electric central air conditioners and central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), single package, shall be 13.0.

''(F) The minimum heating seasonal performance factor of air-cooled three-phase electric central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), split systems, shall be 7.7.

''(G) The minimum heating seasonal performance factor of air-cooled three-phase electric central

air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), single package, shall be 6.6.

''(H) The minimum energy efficiency ratio of water-cooled, evaporatively-cooled and water-source central air conditioners and central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity) shall be 9.3 (at a standard rating of 95 degrees F db, outdoor temperature for evaporatively cooled equipment, and 85 degrees Fahrenheit entering water temperature for water-source and water-cooled equipment).

''(I) The minimum energy efficiency ratio of water-cooled, evaporatively-cooled and water-source central air conditioners and central air conditioning heat pumps at or above 65,000 Btu per hour (cooling capacity) and less than 135,000 Btu per hour (cooling capacity) shall be 10.5 (at a standard rating of 95 degrees F db, outdoor temperature for evaporatively cooled equipment, and 85 degrees Fahrenheit entering water temperature for water source and water-cooled equipment).

''(J) The minimum coefficient of performance in the heating mode of water-source heat pumps less than 135,000 Btu per hour (cooling capacity) shall

be 3.8 (at a standard rating of 70 degrees Fahrenheit entering water).'';

(5) in paragraph (8) by adding at the end the following new subparagraph:

''(D) The minimum energy efficiency ratio of water-cooled and evaporatively-cooled central air conditioners and central air conditioning heat pumps at or above 135,000 Btu per hour (cooling capacity) and less than 240,000 Btu per hour (cooling capacity) shall be 9.6 (according to ARI Standard 360-86).''; and

(6) by adding the following new paragraph at the end:

''(10) Single package vertical air conditioners and single package vertical heat pumps manufactured on or after January 1, 2010, shall meet the following standards:

''(A) The minimum energy efficiency ratio of single package vertical air conditioners less than 65,000 Btu per hour (cooling capacity), single-phase, shall be 9.0.

''(B) The minimum energy efficiency ratio of single package vertical air conditioners less than 65,000 Btu per hour (cooling capacity), three-phase, shall be 9.0.

''(C) The minimum energy efficiency ratio of single package vertical air conditioners at or above 65,000 Btu per hour (cooling capacity) but less than 135,000 Btu per hour (cooling capacity), shall be 8.9.

''(D) The minimum energy efficiency ratio of single package vertical air conditioners at or above 135,000 Btu per hour (cooling capacity) but less than 240,000 Btu per hour (cooling capacity), shall be 8.6.

''(E) The minimum energy efficiency ratio of single package vertical heat pumps less than 65,000 Btu per hour (cooling capacity), single-phase, shall be 9.0; and the minimum coefficient of performance in the heating mode shall be 3.0.

''(F) The minimum energy efficiency ratio of single package vertical heat pumps less than 65,000 Btu per hour (cooling capacity), three-phase, shall be 9.0; and the minimum coefficient of performance in the heating mode shall be 3.0.

''(G) The minimum energy efficiency ratio of single package vertical heat pumps at or above 65,000 Btu per hour (cooling capacity) but less than 135,000 Btu per hour (cooling capacity), shall be

8.9; and the minimum coefficient of performance in the heating mode shall be 3.0.

''(H) The minimum energy efficiency ratio of single package vertical heat pumps at or above 135,000 Btu per hour (cooling capacity) but less than 240,000 Btu per hour (cooling capacity), shall be 8.6; and the minimum coefficient of performance in the heating mode shall be 2.9.''.

SEC. 108. MULTIPLE STANDARDS.

(a) CONSUMER APPLIANCES.—Section 325(o)(5) of the Energy Policy and Conservation Act (42 U.S.C. 6925(o)(5)) is amended by inserting ''If a covered product includes 2 or more independent energy-using features, the Secretary may set more than 1 energy convservation standard for that covered product with respect to those features.'' after ''each major function.''.

(b) INDUSTRIAL EQUIPMENT.—Section 342 of the Energy Policy and Conservation Act (42 U.S.C. 6313) is amended by adding at the end the following new subsection:

''(f) MULTIPLE STANDARDS.—If covered equipment includes 2 or more independent energy-using features, the Secretary may set more than 1 energy convservation standard for that covered equipment with respect to those features.''.

SEC. 109. IMPROVING SCHEDULE FOR STANDARDS UPDATING AND CLARIFYING STATE AUTHORITY.

(a) CONSUMER APPLIANCES.—Section 325(m) of the Energy Policy and Conservation Act (42 U.S.C. 6925(m)) is amended to read as follows:

''(m) FURTHER RULEMAKING.—(1) Not later than 5 years after issuance of any final rule establishing or amending a standard, as required for a product under this part, the Secretary shall publish either—

''(A) a notice of the Secretary's determination that standards for that product do not need to be amended, based on the criteria in subsection (n)(2); or

''(B) a notice of proposed rulemaking including new proposed standards.

In either case, the Secretary shall also publish a notice stating that the Department's analysis is publicly available, and provide opportunity for written comment.

''(2) Not later than 3 years after a notice is issued under paragraph (1)(B), the Secretary shall publish a final rule amending the standard for the product. Not later than 3 years after a determination under paragraph (1)(A), the Secretary shall make a new determination and publication under paragraph (1)(A) or (B).

''(3) An amendment prescribed under this subsection shall apply to products manufactured after a date which is 3 years after publication of the final rule establishing a standard, except that a manufacturer shall not be required to apply new standards to a product with respect to which other new standards have been required within the prior 5 years.

''(4) If the Secretary does not publish a final determination for a product by the date required in paragraph (1) or a final standard for a product by the date required in paragraph (2), then, notwithstanding section 327, a State shall not be preempted from establishing standards for that product until—

''(A) the date on which an amended Federal standard takes effect; or

''(B) 3 years after notice of a determination not to amend the standard.''.

(b) INDUSTRIAL EQUIPMENT.—Section 342(a)(6) of the Energy Policy and Conservation Act (42 U.S.C. 6313(a)(6)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by amending the remander of the paragraph to read as follows:

"(6)(A) If ASHRAE/IES Standard 90.1 is amended with respect to any small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, packaged terminal air conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, or unfired hot water storage tanks, the Secretary shall within 6 months publish in the Federal Register for public comment an analysis of the energy savings potential of the amended energy efficiency standards. The Secretary shall establish an amended uniform national standard for that product at the minimum level for each effective date specified in the amended ASHRAE/IES Standard 90.1 within 18 months of the ASHRAE amendment's publication, unless the Secretary determines, by rule published in the Federal Register, and supported by clear and convincing evidence, that adoption of a uniform national standard more stringent than such amended ASHRAE/IES Standard 90.1 for such product would result in significant additional conservation of energy and is technologically feasible and economically justified.

''(B) If the Secretary issues a rule containing such a determination, the rule shall establish such amended standard, and shall be issued within 30 months of the ASHRAE amendment's publication.

''(C)(i) Not later than 5 years after issuance of any final rule establishing or amending a standard, as required for a product under this part, the Secretary shall publish either—

''(I) a notice of the Secretary's determination that standards for that product do not need to be amended, based on the criteria in subparagraph (A); or

''(II) a notice of proposed rulemaking including new proposed standards.

In either case, the Secretary shall also publish a notice stating that the Department's analysis is publicly available, and provide opportunity for written comment.

''(ii) Not later than 3 years after a notice is issued under clause (i)(II), the Secretary shall publish a final rule amending the standard for the product. Not later than 3 years after a determination under clause (i)(I), the Secretary shall make a new determination and publication under clause (i)(I) or (II).

''(iii) An amendment prescribed under this subparagraph shall apply to products manufactured after a date which is 3 years after publication of the final rule establishing a standard, except that a manufacturer shall not be required to apply new standards to a product with respect to which other new standards have been required within the prior 5 years.

''(iv) If the Secretary does not publish a final determination for a product by the date required in clause (i) or a final standard for a product by the date required in clause (ii), then, notwithstanding section 327 and section 345(b)(2)(A), a State shall not be preempted from establishing standards for that product until—

''(I) the date on which an amended Federal standard takes effect; or

''(II) 3 years after publication of a final rule under which a determination is made not to amend the standard.''.

SEC. 110. UPDATING APPLIANCE TEST PROCEDURES.

(a) CONSUMER APPLIANCES.—Section 323(b)(1)(A) of the Energy Policy and Conservation Act (42 U.S.C. 6923(b)(1)(A)) is amended by striking ''The Secretary may'' and all that follows through ''paragraph (3)'' and

inserting ''At least every 7 years the Secretary shall review test procedures for all covered products and shall—

''(i) amend test procedures with respect to any covered product if the Secretary determines that amended test procedures would more accurately or fully comply with the requirements of paragraph (3); or

''(ii) publish notice in the Federal Register of any determination not to amend a test procedure''.

(b) INDUSTRIAL EQUIPMENT.—Section 343(a)(1) of the Energy Policy and Conservation Act (42 U.S.C. 6314(a)(1)) is amended by striking ''The Secretary may'' and all that follows through ''this section'' and inserting ''At least every 7 years the Secretary shall conduct an evaluation of each class of covered equipment and—

''(B) if the Secretary determines that amended test procedures would more accurately or fully comply with the requirements of paragraphs (2) and (3), shall prescribe test procedures for such class in accordance with the provisions of this section; or

''(C) shall publish notice in the Federal Register of any determination not to amend a test procedure''.

SEC. 111. FURNACE FAN STANDARD PROCESS.

Section 325(f)(3)(D) of the Energy Policy and Conservation Act (42 U.S.C. 6295(f)(3)(D)) is amended—

(1) by striking ''may'' and inserting ''shall''; and

(2) by inserting ''not later than July 1, 2013'' after ''duct work''.

Subtitle B—Lighting Efficiency

SEC. 121. EFFICIENT LIGHT BULBS.

(a) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary of Energy shall issue regulations—

(1) prohibiting the sale of light bulbs that emit less than 60 lumens per watt, effective January 1, 2012;

(2) prohibiting the sale of light bulbs that emit less than 90 lumens per watt, effective January 1, 2016; and

(3) prohibiting the sale of light bulbs that emit less than 120 lumens per watt, effective January 1, 2020.

(b) EXEMPTIONS.—The regulations issued under subsection (a) shall include procedures for the Secretary to provide exemptions to the prohibition. The Secretary may provide such an exemption only in cases where the Secretary finds, after a hearing and opportunity for public comment, that it is not technically feasible to serve a spe-

cialized lighting application, such as a military, medical, or public safety application, using bulbs that meet the requirements of subsection (a). Exemptions provided under this subsection shall expire after 2 years. No exemption may be provided under this subsection for general illumination applications.

(c) CIVIL PENALTY.—The Secretary of Energy shall include in regulations under this section a schedule of appropriate civil penalties for violations of the prohibition under this section. Such penalties shall be in an amount sufficient to ensure compliance with this section.

(d) PLAN.—Not later than 6 months after the date of enactment of this Act, the Secretary of Energy shall transmit to the Congress a plan for encouraging and providing incentives for the use of more efficient light bulbs by consumers and businesses.

(e) DEFINITION.—For purposes of this section, the term ''general illumination'' means lighting designed to provide a substantially uniform level of luminance throughout an area exclusive of any provision for special or local requirements.

SEC. 122. INCANDESCENT REFLECTOR LAMPS.

(a) DEFINITIONS.—Section 321 of the Energy Policy and Conservation Act (42 U.S.C. 6291) is amended—

(1) in paragraph (30)(C)(ii)—

(A) in the matter preceding subclause (I)—

(i) by striking ''or similar bulb shapes (excluding ER or BR)'' and inserting ''ER, BR, BPAR, or similar bulb shapes''; and

(ii) by striking ''2.75'' and inserting ''2.25''; and

(B) by striking ''is either—'' and all that follows through subclause (II) and inserting ''has a rated wattage that is greater than 40 watts.''; and

(2) by adding at the end the following:

''(52) The term 'BPAR incandescent reflector lamp' means a reflector lamp as shown in figure C78.21–278 on page 32 of ANSI C78.21–2003.

''(53)(A) The term 'BR incandescent reflector lamp' means a reflector lamp that has—

''(i) a bulged section below the major diameter of the bulb and above the approximate baseline of the bulb, as shown in figure 1 (RB) on page 7 of ANSI C79.1—1994, incorporated by reference in section 430.22 of title 10, Code of Federal Regulations (as in effect on the date of enactment of this paragraph); and

"(ii) a finished size and shape shown in ANSI C78.21—1989, including the referenced reflective characteristics in part 7 of ANSI C78.21.

"(B) The term 'BR30' refers to a BR incandescent reflector lamp with a diameter of 30/8ths of an inch and the term 'BR40' refers to a BR incandescent reflector lamp with a diameter of 40/8ths of an inch.

"(54)(A) The term 'ER incandescent reflector lamp' means a reflector lamp that has—

"(i) an elliptical section below the major diameter of the bulb and above the approximate baseline of the bulb, as shown in figure 1 (RE) on page 7 of ANSI C79.1—1994, incorporated by reference in section 430.22 of title 10, Code of Federal Regulations (as in effect on the date of enactment of this paragraph); and

"(ii) a finished size and shape shown in ANSI C78.21—1989, incorporated by reference in section 430.22 of title 10, Code of Federal Regulations (as in effect on the date of enactment of this paragraph).

"(B) The term 'ER30' refers to an ER incandescent reflector lamp with a diameter of 30/8ths of

an inch and the term 'ER40' refers to an ER incandescent reflector lamp with a diameter of 40/8ths of an inch.

''(55) The term 'R20 incandescent reflector lamp' means a reflector lamp that has a face diameter of approximately 2.5 inches, as shown in figure 1(R) on page 7 of ANSI C79.1–1994.''.

(b) STANDARDS FOR FLUORESCENT LAMPS AND INCANDESCENT REFLECTOR LAMPS.—Section 325(i) of the Energy Policy and Conservation Act (42 U.S.C. 6925(i)) is amended by striking paragraph (1) and inserting the following:

''(1) STANDARDS.—

''(A) DEFINITION OF EFFECTIVE DATE.—In this paragraph, except as specified in subparagraphs (C) and (D), the term 'effective date' means, with respect to each type of lamp specified in a table contained in subparagraph (B), the last day of the period of months corresponding to that type of lamp, as specified in the table, that follows the date of enactment of the [short title].

''(B) MINIMUM STANDARDS.—Each of the following general service fluorescent lamps and incandescent reflector lamps manufactured

after the effective date specified in the tables contained in this paragraph shall meet or exceed the following lamp efficacy and CRI standards:

"FLUORESCENT LAMPS

Lamp Type	Nominal Lamp Wattage	Minimum CRI	Minimum Average Lamp Efficacy (LPW)	Effective Date (Period of Months)
4-foot medium bi-pin	>35 W	69	75.0	36
	≤35 W	45	75.0	36
2-foot U-shaped	>35 W	69	68.0	36
	≤35 W	45	64.0	36
8-foot slimline	65 W	69	80.0	18
	≤65 W	45	80.0	18
8-foot high output	>100 W	69	80.0	18
	≤100 W	45	80.0	18

"INCANDESCENT REFLECTOR LAMPS

Nominal Lamp Wattage	Minimum Average Lamp Efficacy (LPW)	Effective Date (Period of Months)
40–50	10.5	36
51–66	11.0	36
67–85	12.5	36
86–115	14.0	36
116–155	14.5	36
156–205	15.0	36

"(C) EXEMPTIONS.—The standards specified in subparagraph (B) shall not apply to the following types of incandescent reflector lamps:

"(i) Lamps rated at 50 watts or less of the following types: ER30, BR30, BR40, and ER40 lamps.

"(ii) Lamps rated at 65 watts of the following types: BR30, BR40, and ER40 lamps.

''(iii) R20 incandescent reflector lamps of 45 watts or less.

''(D) EFFECTIVE DATES.—

''(i) ER, BR, AND BPAR LAMPS.—Except as provided in subparagraph (A), the standards specified in subparagraph (B) shall apply with respect to ER incandescent reflector lamps, BR incandescent reflector lamps, BPAR incandescent reflector lamps, and similar bulb shapes on and after January 1, 2008.

''(ii) LAMPS BETWEEN 2.25–2.75 INCHES IN DIAMETER.—The standards specified in subparagraph (B) shall apply with respect to incandescent reflector lamps with a diameter of more than 2.25 inches, but not more than 2.75 inches, on and after January 1, 2008.''.

SEC. 123. USE OF ENERGY EFFICIENT LIGHTING FIXTURES AND BULBS.

(a) IN GENERAL.—Chapter 33 of title 40, United States Code, is amended—

(1) by redesignating sections 3313, 3314, and 3315 as sections 3314, 3315, and 3316, respectively; and

(2) by inserting after section 3312 the following:

"§ 3313. Use of energy efficient lighting fixtures and bulbs

''(a) CONSTRUCTION AND ALTERATION OF PUBLIC BUILDINGS.—Each public building constructed or significantly altered by the Administrator of General Services shall be equipped, to the maximum extent feasible as determined by the Administrator, with lighting fixtures and bulbs that are energy efficient.

''(b) MAINTENANCE OF PUBLIC BUILDINGS.—Each lighting fixture or bulb that is replaced by the Administrator in the normal course of maintenance of public buildings shall be replaced, to the maximum extent feasible as determined by the Administrator, with a lighting fixture or bulb that is energy efficient.

''(c) CONSIDERATIONS.—In making a determination under this section concerning the feasibility of installing a lighting fixture or bulb that is energy efficient, the Administrator shall consider—

''(1) the life cycle cost effectiveness of the fixture or bulb;

''(2) the compatibility of the fixture or bulb with existing equipment;

''(3) whether use of the fixture or bulb could result in interference with productivity;

''(4) the aesthetics relating to use of the fixture or bulb; and

''(5) such other factors as the Administrator determines appropriate.

''(d) ENERGY STAR.—A lighting fixture or bulb shall be treated as being energy efficient for purposes of this section if—

''(1) the fixture or bulb is certified under the Energy Star program established by section 324A of the Energy Policy and Conservation Act (42 U.S.C. 6294a); or

''(2) the Administrator has otherwise determined that the fixture or bulb is energy efficient.

''(e) SIGNIFICANT ALTERATIONS.—A public building shall be treated as being significantly altered for purposes of subsection (a) if the alteration is subject to congressional approval under section 3307.

''(f) EFFECTIVE DATE.—The requirements of subsections (a) and (b) shall take effect one year after the date of enactment of this subsection.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 33 of title 40, United States Code, is amended

by striking the items relating to sections 3313, 3314, and 3315 and inserting the following:

Subtitle C—Building Efficiency

SEC. 131. ENCOURAGING STRONGER BUILDING CODES.

(a) IN GENERAL.—Section 304 of the Energy Conservation and Production Act (42 U.S.C. 6833) is amended to read as follows:

''SEC. 304. UPDATING STATE BUILDING ENERGY EFFICIENCY CODES.

''(a) UPDATING NATIONAL MODEL BUILDING ENERGY CODES.—(1) The Secretary shall support updating the national model building energy codes and standards at least every three years to achieve overall energy savings, compared to the 2006 IECC for residential buildings and ASHRAE Standard 90.1 2004 for commercial buildings, of at least—

''(A) 30 percent by 2010;

''(B) 50 percent by 2020; and

''(C) targets to be set by the Secretary in intermediate and subsequent years, at the maximum level of energy efficiency that is technologically feasible and life-cycle cost effective.

''(2)(A) Whenever the provisions of the IECC or ASHRAE Standard 90.1 regarding building energy use are revised, the Secretary shall, not later than 6 months after the date of such revision, determine—

''(i) whether such revision will improve energy efficiency in buildings; and

''(ii) whether such revision will meet the targets under paragraph (1).

''(B) If the Secretary makes a determination under subparagraph (A)(ii) that a code or standard does not meet the targets under paragraph (1), or if a national model code or standard is not updated for more than three years, then the Secretary shall within 12 months propose a modified code or standard that meets such targets. The modified code or standard shall serve as the baseline for the next determination under subparagraph (A)(i).

''(C) The Secretary shall provide the opportunity for public comment on targets, determinations, and modified codes and standards under this subsection, and shall publish notice of targets, determinations, and modified codes and standards under this subsection in the Federal Register.

''(b) STATE CERTIFICATION OF BUILDING ENERGY CODE UPDATES.—(1) Not later than 2 years after the date of enactment of the [short title], each State shall cer-

tify to the Secretary that it has reviewed and updated the provisions of its residential and commercial building codes regarding energy efficiency. Such certification shall include a demonstration that such State's code provisions meet or exceed the 2006 IECC for residential buildings and the ASHRAE Standard 90.1-2004 for commercial buildings, or achieve equivalent or greater energy savings.

''(2)(A) If the Secretary makes an affirmative determination under subsection (a)(2)(A)(i) or proposes a modified code or standard under subsection (a)(2)(B), each State shall within 2 years certify that it has reviewed and updated the provisions of its building code regarding energy efficiency. Such certification shall include a demonstration that such State's code provisions meet or exceed the revised code or standard, or achieve equivalent or greater energy savings.

''(B) If the Secretary fails to make a determination under subsection (a)(2)(A)(i) by the date specified in subsection (a)(2), or makes a negative determination, each State shall within 2 years after the specified date or the date of the determination, certify that it has reviewed the revised code or standard, and updated the provisions of its building code regarding energy efficiency to meet or exceed any provisions found to improve energy efficiency

in buildings, or to achieve equivalent or greater energy savings in other ways.

''(c) STATE CERTIFICATION OF COMPLIANCE WITH BUILDING CODES.—(1) Each State shall, not later than 3 years after a certification under subsection (b), certify that it has achieved compliance with the certified building energy code. Such certification shall include documentation of the rate of compliance based on independent inspections of a random sample of the new and renovated buildings covered by the code in the preceding year.

''(2) A State shall be considered to achieve compliance under paragraph (1) if—

''(A) at least 90 percent of new and renovated buildings covered by the code in the preceding year substantially meet all the requirements of the code; or

''(B) the estimated excess energy use of new and renovated buildings that did not meet the code in the preceding year, compared to a baseline of comparable buildings that meet the code, is not more than 10 percent of the estimated energy use of all new and renovated buildings covered by the code in the preceding year.

''(d) FAILURE TO MEET DEADLINES.—(1) The Secretary shall permit extensions of the deadlines for the cer-

tification requirements under subsections (b) and (c) of this section for up to 1 year if a State can demonstrate that it has made a good faith effort to comply with such requirements and that it has made significant progress in doing so.

''(2) Any State for which the Secretary has not accepted a certification by a deadline under subsection (b) or (c) of this section, with any extension granted under paragraph (1), is out of compliance with this section.

''(3) In any State that is out of compliance with this section, a local government may be in compliance with this section by meeting the certification requirements under subsections (b) and (c) of this section.

''(e) TECHNICAL ASSISTANCE.—(1) The Secretary shall provide technical assistance, including building energy analysis and design tools, building demonstrations, and design assistance and training to enable the national model building energy codes and standards to meet the targets in subsection (a)(1).

''(2) The Secretary shall provide technical assistance to States to implement the requirements of this section, including procedures for States to demonstrate that their code provisions achieve equivalent or greater energy savings than the national model codes and standards, and to improve and implement State residential and commercial

building energy efficiency codes or to otherwise promote the design and construction of energy efficient buildings.

''(f) AVAILABILITY OF INCENTIVE FUNDING.—(1) The Secretary shall provide incentive funding to States to implement the requirements of this section, and to improve and implement State residential and commercial building energy efficiency codes, including increasing and verifying compliance with such codes. In determining whether, and in what amount, to provide incentive funding under this subsection, the Secretary shall consider the actions proposed by the State to implement the requirements of this section, to improve and implement residential and commercial building energy efficiency codes, and to promote building energy efficiency through the use of such codes.

''(2) Additional funding shall be provided under this subsection for implementation of a plan to achieve and document at least a 90 percent rate of compliance with residential and commercial building energy efficiency codes, based on energy performance—

''(A) to a State that has adopted and is implementing, on a Statewide basis—

''(i) a residential building energy efficiency code that meets or exceeds the requirements of the 2006 IECC, or any succeeding version of

that code that has received an affirmative determination from the Secretary under subsection (a)(2)(A)(i); and

''(ii) a commercial building energy efficiency code that meets or exceeds the requirements of the ASHRAE Standard 90.1-2004, or any succeeding version of that standard that has received an affirmative determination from the Secretary under subsection (a)(2)(A)(i); or

''(B) in a State in which there is no Statewide energy code either for residential buildings or for commercial buildings, to a local government that has adopted and is implementing residential and commercial building energy efficiency codes, as described in subparagraph (A).

''(3) Of the amounts made available under this subsection, the Secretary may use $500,000 or more for each fiscal year to train State and local officials to implement codes described in paragraph (2).

''(4)(A) There are authorized to be appropriated to carry out this subsection—

''(i) $25,000,000 for each of fiscal years 2008 through 2012; and

''(ii) such sums as are necessary for fiscal year 2013 and each fiscal year thereafter.

''(B) Funding provided to States under paragraph (2) for each fiscal year shall not exceed one-half of the excess of funding under this subsection over $5,000,000 for the fiscal year.''.

(b) DEFINITION.—Section 303 of the Energy Conservation and Production Act (42 U.S.C. 6832) is amended by adding at the end the following new paragraph:

''(17) The term 'IECC' means the International Energy Conservation Code.''.

SEC. 132. ENERGY CODE IMPROVEMENTS APPLICABLE TO MANUFACTURED HOUSING.

(a) IN GENERAL.—Not later than 4 years after the date of enactment of this Act, the Secretary of Energy shall by regulation establish standards for energy efficiency in manufactured housing.

(b) CERTAIN REQUIREMENTS.—The regulations under subsection (a) shall be in accordance with the following:

(1) The energy conservation standards established under this subsection shall be based on the most recent version of the International Energy Conservation Code (including supplements) except where the Secretary finds that such code is not cost-effective, or a more stringent standard would be

more cost-effective, based on total life-cycle construction and operating costs.

(2) The energy conservation standards established under this subsection may—

(A) take into consideration the design and factory construction techniques of manufactured homes;

(B) be based on the climate zones established by the Department of Housing and Urban Development rather than those under the International Energy Conservation Code; and

(C) provide for alternative practices that result in net estimated energy consumption equal to or less than the specified standards.

(3) The energy conservation standards established under this subsection shall be updated within one year after the date of enactment of this Act and within one year after any revision to the International Energy Conservation Code.

(c) ENFORCEMENT.—Any manufacturer of manufactured housing that violates a provision of the regulations under subsection (a) is liable to the United States for a civil penalty in an amount not exceeding 1 percent of the

manufacturer's retail list price of the manufactured housing.

SEC. 133. BASELINE BUILDING DESIGNS.

Section 327(f)(3)(D) of the Energy Policy and Conservation Act (42 U.S.C. 6297(f)(3)(D)) is amended to read as follows:

''(D) If the code uses one or more baseline building designs against which all submitted building designs are to be evaluated and such baseline building designs contain a covered product subject to an energy conservation standard established in or prescribed under section 325, the baseline building designs are based on the efficiency level for such covered product which—

''(i) meets but does not exceed such standard;

''(ii) is the efficiency level required by a regulation of that State for which the Secretary has issued a rule granting a waiver under subsection (d) of this section; or

''(iii) is a level that, when evaluated in the baseline building design, the State has found to be feasible and cost-effective.''.

SEC. 134. TRAINING FEDERAL CONTRACTING OFFICERS TO NEGOTIATE ENERGY EFFICIENCY CONTRACTS.

(a) PROGRAM.—The Secretary of Energy shall create and administer in the Federal Energy Management Program a training program to educate Federal contract negotiation and contract management personnel so that such contract officers are prepared to—

(1) negotiate energy savings performance contracts;

(2) conclude effective and timely contracts for energy efficiency services with all companies offering energy efficiency services; and

(3) review Federal contracts for all products and services for their potential energy efficiency opportunities and implications.

(b) SCHEDULE.—The Federal Energy Management Program shall plan, staff, announce, and begin such training not later than one year after the date of enactment of this Act.

(c) PERSONNEL TO BE TRAINED.—Personnel appropriate to receive such training shall be selected by and sent for such training from—

(1) the Department of Defense;

(2) the Department of Veterans Affairs;

(3) the Department of Energy;

(4) the General Services Administration;

(5) the United States Postal Service; and

(6) all other Federal agencies and departments that enter contracts for buildings, building services, electricity and electricity services, natural gas and natural gas services, heating and air conditioning services, building fuel purchases, and other types of procurement or service contracts determined by Federal Energy Management Program to offer the potential for energy savings and greenhouse gas emission reductions if negotiated with such goals in mind.

(d) TRAINERS.—Such training may be conducted by attorneys or contract officers with experience in negotiating and managing such contracts from any agency, and the Department of Energy shall reimburse their related salaries and expenses from amounts appropriated for carrying out this section to the extent they are not already employees of the Department of Energy. Such training may also be provided by private experts hired by the Department of Energy for the purposes of this section, except that the Department may not hire experts who are simultaneously employed by any company under contract to provide such energy efficiency services to the Federal Government.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Energy for carrying out this section $750,000 for each of fiscal years 2008 through 2012.

Subtitle D—Industrial Energy

SEC. 141. INDUSTRIAL ENERGY.

(a) AMENDMENT.—Title III of the Energy Conservation and Policy Act (42 U.S.C. 6201 and following) is amended by adding the following after part D:

"PART E—INDUSTRIAL ENERGY

"SEC. 371. SURVEY OF WASTE INDUSTRIAL ENERGY RECOVERY AND POTENTIAL USE.

''Congress finds that__

''(1) the Nation should encourage the use of otherwise wasted energy and the development of combined heat and power projects where there is wasted thermal energy in large volumes at high temperatures;

''(2) such projects would increase energy efficiency and lower pollution by generating power with no incremental fossil fuel consumption;

''(3) because recovered waste energy and combined heat and power projects are associated with end-uses of thermal energy and electricity at the local level, they help avoid new transmission lines,

reduce line losses, and reduce vulnerability to extreme weather and terrorism; and

''(4) States, localities, electric utilities, and other electricity customers may benefit from private investments in recovered waste energy and combined heat and power projects at industrial and commercial sites by avoiding generation, transmission and distribution expenses, and transmission line loss expenses that may otherwise be required to be recovered from ratepayers.

''SEC. 372. DEFINITIONS.

''For purposes of this part:

''(1) The term 'Administrator' means the Administrator of the Environmental Protection Agency.

''(2) The term 'waste energy' means__

''(A) exhaust heat and flared gases from any industrial process;

''(B) waste gas or industrial tail gas that would otherwise be flared, incinerated or vented;

''(C) a pressure drop in any gas, excluding any pressure drop to a condenser that subsequently vents the resulting heat; and

''(D) such other forms of waste energy as the Administrator may identify.

''(3) The term 'recoverable waste energy' means waste energy from which electricity or useful thermal energy may be recovered through modification of existing facilities or addition of new facilities.

''(4) The term 'useful thermal energy' is energy in the forms of direct heat, steam, hot water, or other thermal forms that can be used for heating, cooling, humidity control, process use, or other valid thermal end-use energy requirements, and for which fuel or electricity would typically and separately be consumed.

''(5) The term 'combined heat and power system' means a facility that simultaneously and efficiently produces useful thermal energy and electricity, recovering not less than 60 percent of the energy value in the fuel in the form of useful thermal energy and electricity.

''(6) The term 'electric distribution utility' means any person or other entity selling electric energy to the ultimate consumer thereof.

''SEC. 373. SURVEY AND REGISTRY.

''(a) RECOVERABLE WASTE-ENERGY INVENTORY PROGRAM.—The Administrator, in cooperation with State energy offices, shall establish a Recoverable Waste-Energy Inventory Program. The program shall include an ongoing

survey of all major industrial and large commercial combustion sources in the United States and the sites where these are located, together with a review of each for quantity and quality of waste energy.

''(b) CRITERIA.—The Administrator shall, within 180 days after the enactment of this section, develop and publish criteria to identify and designate those sources and sites in the inventory under subsection (a) that appear to offer recoverable waste energy projects or combined heat and power system projects with economic feasibility indicating a payback of invested costs within 5 years or less (including incentives offered under this part.)

''(c) TECHNICAL SUPPORT.—The Administrator shall provide to owners or operators of combustion sources technical support and offer partial funding (up to one-half of total costs) for feasibility studies to confirm whether or not investment in recovery of waste energy or combined heat and power at that source would offer a payback period of 5 years or less.

''(d) REGISTRY.—(1) The Administrator shall, within one year after the enactment of this section, establish a Registry of recoverable waste-energy sources, and sites on which those sources are located, which meet the criteria set forth under subsection (b). The Administrator shall update the Registry on not less than a monthly basis, and

make the Registry accessible to the public on the Environmental Protection Agency web site.

''(2) The Administrator shall notify owners or operators of Recoverable Waste-Energy Sites listed in the Registry prior to public listing. Owners and operators of sources at such sites may elect to have their own listing not made public by notifying the Administrator of that election, and the Administrator shall remove the public notice with respect to any such listings.

''(3) The Administrator shall register and include on the Registry all sites meeting the criteria of subsection (b), whether made public or not. The Administrator shall calculate the total amounts of potentially recoverable waste energy from sources at such sites, nationally and by State, and shall make such totals public, together with information on the emissions savings that might be achieved with recovery of the waste energy from all sources listed in the Registry.

''(4) As waste energy projects achieve successful recovery of waste energy, the Administrator shall remove the related sites or sources from the registry, and shall designate the removed projects as eligible for incentive provisions established and regulatory treatment required by this part.

''(e) SELF-CERTIFICATION.—Owners, operators, or third-party developers of industrial waste-energy projects that qualify under standards established by the Administrator may self-certify their sites or sources to the Administrator for inclusion in the Registry, subject to procedures adopted by the Administrator. To prevent a fraudulent listing, the sources shall be included on the Registry only if the Administrator confirms the submitted data, at the Administrator's discretion.

''(f) NEW FACILITIES.—As a new energy-consuming industrial facility is developed after the enactment of this part, to the extent it may constitute a site with recoverable waste energy that may qualify for the Registry, the Administrator may elect to include it in the Registry at the request of its owner or operator or developer on a conditional basis, removing the site if its development ceases.

''(g) OPTIMUM MEANS OF RECOVERY.—For each site listed in the Registry, at the request of the owner or operator of the site, the Administrator shall offer, in cooperation with Clean Energy Application Centers operated by the Secretary of Energy, suggestions of optimum means of recovery of value from waste energy stream in the form of electricity, useful thermal energy, or other energy-related products.

''(h) REVISION.—Each annual State report under section 548(a) of the National Energy Conservation Policy Act shall include the results of the survey for that State under this section.

''(i) AUTHORIZATION.—There are authorized to be appropriated to the Administrator for the purposes of creating and maintaining the Registry and services authorized by this section not more than $1,000,000 for each of fiscal years 2008, 2009, 2010, 2010, and 2012 and not more than $5,000,000 to the States to provide funding for State energy office functions under this section .

''SEC. 374. INCENTIVES FOR RECOVERY, UTILIZATION AND PREVENTION OF INDUSTRIAL WASTE ENERGY.

''(a) WASTE ENERGY RECOVERY INCENTIVE GRANT PROGRAM.—

''(1) ESTABLISHMENT.—There is established in the Environmental Protection Agency a Waste Energy Recovery Incentive Grant Program to provide incentive grants to owners and operators of projects that successfully produce electricity from waste energy recovery.

''(2) PAYMENTS.—The Administrator shall make grants to the owners or operators of waste energy recovery projects upon receipt of proof of elec-

tricity generation from the projects in a form prescribed by the Administrator, by rule.

''(3) RATE.—Incentive payments shall be made at the rate of $10 per megawatt hour of documented electricity produced by each such project during the first 3 calendar years of such production.

''(4) AUTHORIZATION.—There is authorized to be appropriated to the Administrator $100,000,000 for fiscal year 2008, and $200,00,000 for each of fiscal Years 2009, 2010, 2011, and 2012 for grants under this section, and such additional amounts as may be necessary for administration of the Waste Energy Recovery Incentive Grant Program.

''(b) SALES OF EXCESS POWER.—

''(1) ELIGIBILITY.—An owner or operator of a waste energy recovery project identified on the Registry who successfully recovers waste energy in the form of electricity in amounts exceeding the total on-site consumption of electricity on the site where the project is located shall be eligible to benefit from the offers described in this section. Such excess shall be referred to in this subsection as the 'net excess power' .

''(2) STATE OFFERS.—Following notification to the Administrator, any State may elect to adminster

a State program under which eligible owners or operators (as described in paragraph (1)) are offered one or more of the following options set forth in subparagraph (A), (B), or (C) for disposal of the net excess power:

''(A) SALE OF NET EXCESS POWER TO UTILITY.—(i) The State may require distribution utilities to purchase the net excess power under a long-term contract with the owner or operator of the eligible waste-energy recovery project.

''(ii) The rates at which a distribution utility shall purchase such power shall equal the distribution utility's retail rate for sales to the same class of customer (on the same time of delivery basis if applicable), minus the utility's gross pre-tax per-unit profit margin for sales to that class of customer.

''(iii) In States with unbundled competitive market clearing prices for retail sales of electricity, States may offer such prices for the net excess power purchased by the utility.

''(iv) No electric utility shall be required to purchase an amount of net excess power under this subparagraph that exceeds the capacity of

the wires, meter, and other equipment of the utility serving the site unless the owner or operator of the project agrees to pay necessary and reasonable upgrade costs.

''(B) RETAIL WHEELING.—(i) The State may require distribution utilities to offer to wheel power from the project for retail resale within the area served by the utility distribution system substation that provides electric service to the project.

''(ii) If the State elects to make an offer under this subsparagraph, the State shall waive any law prohibiting such sales, restrictingthe area inwhich such sales may be made ororor treating any person making such sales as a State regulated electric utility.

''(iii) The rate to be charged by the distribution utility for such retail wheeling shall exclude charges for transmission costs but include any expenses associated with reasonable upgrades needed to wheel the power as well as charges equivalent to the distribution utility's gross pretax profit margin as applied to its distribution assets on a per-unit basis.

''(C) WAIVERS.—The State may waive any State law prohibiting__

''(i) the construction of private wires by or on behalf of the owner or operator of the project to connect to, and make of the net excess electric power from the project to, up to 3 power purchasers within a radius of not to exceed 3 miles without any connection of such wires to the local utility system; and

''(ii) the use or crossing of public rights-of-way by such private wires.

Sales of power to such power purchasers by the project owner or operator shall be separately metered and segregated from any sales by the distribution utility.

''(3) EPA AUTHORITY.—(A) If any State fails to notify the Administrator of its election to make the offers described in paragraph (2), or if the Administrator determines, after notice and opportunity for hearing, that the State has failed to make such offers in accordance with this subsection, the Administrator shall make such offers to the eligible owners and operators, and take such actions as may be nec-

essary to authorize the actions described in subparagraphs (A), (B), and (C) of paragraph (2) .

''(B) Any action by the Administrator under this paragraph shall preempt any State or local laws or rules that are inconsistent with such actions.

''(C) Upon the petition of the owner or operator of any eligible source in any State, the Administrator shall determine whether the State has failed to comply with this subsection.

''SEC. 375. CLEAN ENERGY APPLICATION CENTERS.

''(a) PURPOSE.—The purpose of this section is to rename and provide for the continued operation of the United States Department of Energy's Regional Combined Heat and Power (CHP) Application Centers.

''(b) FINDINGS.—The Congress finds the Department of Energy's Regional Combined Heat and Power (CHP) Application Centers program has produced significant energy savings and climate change benefits and will continue to do so through the deployment of clean energy technologies such as Combined Heat and Power (CHP), recycled waste energy and biomass energy systems, in the industrial and commercial energy markets.

''(c) RENAMING.—The Combined Heat and Power Application Centers at the Department of Energy are heareby be redesignated as Clean Energy Application Cen-

ters. Any reference in any law, rule or regulation or publication to the Combined Heat and Power Application Centers shall be treated as a reference to the Clean Energy Application Centers.

''(d) RELOCATION.—In order to better coordinate efforts with the separate Industrial Assessment Centers and to assure that the energy efficiency and, when applicable, the renewable nature of deploying mature clean energy technology is fully accounted for, the Secretary of Energy shall relocate the administration of the Clean Energy Application Centers to the Office of Energy Efficiency and Renewable Energy within the Department of Energy. The Office of Electricity Delivery and Energy Reliability shall continue to perform work on the role of such technology in support of the grid and its reliability and security, and shall assist the Clean Energy Application Centers in their work with regard to the grid and with electric utilities.

''(e) GRANTS.—

''(1) IN GENERAL.—The Secretary of Energy shall make grants to universities, research centers, and other appropriate institutions to assure the continued operations and effectiveness of 8 Regional Clean Energy Application Centers in each of the following regions (as designated for such purposes as of the date of the enactment of this section):

"(A) Gulf Coast.

"(B) Intermountain.

"(C) Mid-Atlantic.

"(D) Midwest.

"(E) Northeast.

"(F) Northwest.

"(G) Pacific.

"(H) Southeast.

"(2) ESTABLISHMENT OF GOALS AND COMPLIANCE.—In making grants under this section, the Secretary shall ensure that sufficient goals are established and met by each Center throughout the program duration concerning outreach and technology deployment.

"(f) ACTIVITIES.—Each Clean Energy Application Center shall operate a program to encourage deployment of clean energy technologies through education and outreach to building and industrial professionals, and to other individuals and organizations with an interest in efficient energy use. In addition, the Centers shall provide project specific support to building and industrial professionals through assessments and advisory activities. Funds made available under this section may be used for the following activities:

''(1) Developing and distributing informational materials on clean energy technologies, including continuation of the eight existing Web sites.

''(2) Developing and conducting target market workshops, seminars, internet programs and other activities to educate end users, regulators, and stakeholders in a manner that leads to the deployment of clean energy technologies.

''(3) Providing or coordinating onsite assessments for sites and enterprises that may consider deployment of clean energy technology.

''(4) Performing market research to identify high profile candidates for clean energy deployment

''(5) Providing consulting support to sites considering deployment of clean energy technologies.

''(6) Assisting organizations developing clean energy technologies to overcome barriers to deployment.

''(g) DURATION.—A grant awarded under this section shall be for a period of 5 years. each grant shall be evaluated annually for its continuation based on its activities and results.

''(h) AUTHORIZATION.—There is authorized to be appropriated for purposes of this section the sum of

$10,000,000 for each of fiscal years 2008, 2009, 2010, 2011, and 2012.''.

(b) TABLE OF CONTENTS.—The table of contents for such Act is amended by inserting the following after the items relating to part D of title III:

Subtitle E—Energy Efficiency of Public Institutions

SEC. 151. SHORT TITLE.

This subtitle may be cited as the ''Sustainable Energy Institutional Infrastructure Act of 2007''.

SEC. 152. FINDINGS.

The Congress finds the following:

(1) Many institutional entities own and operate, or are served by, district energy systems.

(2) A variety of renewable energy resources could be tapped by governmental and institutional energy systems to meet energy requirements.

(3) Use of these renewable energy resources to meet energy requirements will reduce reliance on fossil fuels and the associated emissions of air pollution and carbon dioxide.

(4) CHP is a highly efficient and environmentally beneficial means to generate electric energy and heat, and offers total efficiency much greater than conventional separate systems, where electric energy is generated at and transmitted long distances from a centrally located generation facility, and onsite heating and cooling equipment is used to meet nonelectric energy requirements.

(5) Heat recovered in a CHP generation system can be used for space heating, domestic hot water, or process steam requirements, or can be converted to cooling energy to meet air conditioning requirements.

(6) The increased efficiency of CHP results in reduction in emissions of air pollution and carbon dioxide.

(7) District energy systems represent a key opportunity for expanding implementation of CHP because district energy systems provide a means of delivering thermal energy from CHP to a substantial base of end users.

(8) District energy systems help cut peak power demand and reduce power transmission and distribution system constraints by meeting air conditioning demand through delivery of chilled water produced

with CHP-generated heat or other energy sources, shifting power demand through thermal storage, and, with CHP, generating power near load centers.

(9) Evaluation and implementation of sustainable energy infrastructure is a complex undertaking involving a variety of technical, economic, legal, and institutional issues and barriers, and technical assistance is often required to successfully navigate these barriers.

(10) The major constraint to significant expansion of sustainable energy infrastructure by institutional entities is a lack of capital funding for implementation.

SEC. 153. DEFINITIONS.

For purposes of this subtitle—

(1) the term ''CHP'' means combined heat and power, or the generation of electric energy and heat in a single, integrated system;

(2) the term ''district energy systems'' means systems providing thermal energy to buildings and other energy consumers from one or more plants to individual buildings to provide space heating, air conditioning, domestic hot water, industrial process energy, and other end uses;

(3) the term ''institutional entities'' means local governments, municipal utilities, State governments, Federal agencies, and other entities established by local, State, or Federal agencies to meet public purposes, and public or private colleges, universities, airports, and hospitals;

(4) the term ''renewable thermal energy sources'' means non-fossil-fuel energy sources, including biomass, geothermal, solar, natural sources of cooling such as cold lake or ocean water, and other sources that can provide heating or cooling energy;

(5) the term ''sustainable energy infrastructure'' means facilities for production of energy from CHP or renewable thermal energy sources and distribution of thermal energy to users; and

(6) the term ''thermal energy'' means heating or cooling energy in the form of hot water or steam (heating energy) or chilled water (cooling energy).

SEC. 154. TECHNICAL ASSISTANCE PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Energy shall, with funds appropriated for this purpose, implement a program of information dissemination and technical assistance to institutional entities to assist them in identi-

fying, evaluating, designing, and implementing sustainable energy infrastructure.

(b) INFORMATION DISSEMINATION.—The Secretary shall develop and disseminate information and assessment tools addressing—

(1) identification of opportunities for sustainable energy infrastructure;

(2) technical and economic characteristics of sustainable energy infrastructure;

(3) utility interconnection, and negotiation of power and fuel contracts;

(4) financing alternatives;

(5) permitting and siting issues;

(6) case studies of successful sustainable energy infrastructure systems; and

(7) computer software for assessment, design, and operation and maintenance of sustainable energy infrastructure systems.

(c) ELIGIBLE COSTS.—Upon application by an institutional entity, the Secretary may make grants to such applicant to fund—

(1) 75 percent of the cost of feasibility studies to assess the potential for implementation of sustainable energy infrastructure;

(2) 60 percent of the cost of guidance on overcoming barriers to project implementation, including financial, contracting, siting, and permitting barriers; and

(3) 45 percent of the cost of detailed engineering and design of sustainable energy infrastructure.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $15,000,000 for fiscal year 2008, $15,000,000 for fiscal year 2009, and $15,000,000 for fiscal year 2010.

SEC. 155. REVOLVING FUND.

(a) ESTABLISHMENT.—The Secretary of Energy shall, with funds appropriated for this purpose, create a Sustainable Institutions Revolving Fund for the purpose of establishing and operating a Sustainable Institutions Revolving Fund (in this section referred to as the ''SIRF'') for the purpose of providing loans for the construction of sustainable energy infrastructure to serve institutional entities.

(b) ELIGIBLE COSTS.—A loan provided from the SIRF shall be for no more than 70 percent of the total capital costs of a project, and shall not exceed $15,000,000. Such loans shall be for constructing sustainable energy infrastructure, including—

(1) plant facilities used for producing thermal energy, electricity, or both;

(2) facilities for storing thermal energy;

(3) facilities for distribution of thermal energy; and

(4) costs for converting buildings to use thermal energy from sustainable energy sources.

(c) QUALIFICATIONS.—Loans from the SIRF may be made to institutional entities for projects meeting the qualifications and conditions established by the Secretary, including the following minimum qualifications:

(1) The project shall be technically and economically feasible as determined by a detailed feasibility analysis performed or corroborated by an independent consultant.

(2) The borrower shall demonstrate that adequate and comparable financing was not found to be reasonably available from other sources, and that the project is economically more feasible with the availability of the SIRF loan.

(3) The borrower shall obtain commitments for the remaining capital required to implement the project, contingent on approval of the SIRF loan.

(d) FINANCING TERMS.—(1) Interest on a loan under this section may be a fixed rate or floating rate, and shall

be equal to the Federal cost of funds consistent with the loan type and term, minus 1.5 percent.

(2) Interest shall accrue from the date of the loan, but the first payment of interest shall be deferred, if desired by the borrower, for a period ending not later than 3 years after the initial date of operation of the system.

(3) Interest attributable to the period of deferred payment shall be amortized over the remainder of the loan term.

(4) Principal shall be repaid on a schedule established at the time the loan is made. Such payments shall begin not later than 3 years after the initial date of operation of the system.

(5) Loans made from the SIRF shall be repayable over a period ending not more than 20 years after the date the loan is made.

(6) Loans shall be prepayable at any time without penalty.

(7) SIRF loans shall be subordinate to other loans for the project.

(e) FUNDING CYCLES.—Applications for loans from the SIRF shall be received on a periodic basis at least semiannually.

(f) APPLICATION OF REPAYMENTS FOR DEFICIT REDUCTION.—Loans from the SIRF shall be made, with

funds available for this purpose, during the 10 years starting from the date that the first loan from the fund is made. Until this 10-year period ends, funds repaid by borrowers shall be deposited in the SIRF to be made available for additional loans. Once loans from the SIRF are no longer being made, repayments shall go directly into the United States Treasury.

(g) PRIORITIES.—In evaluating projects for funding, priority shall be given to projects which—

(1) maximize energy efficiency;

(2) minimize environmental impacts, including from regulated air pollutants, greenhouse gas emissions, and the use of refrigerants known to cause ozone depletion;

(3) use renewable energy resources;

(4) maximize oil displacement; and

(5) benefit economically-depressed areas.

(h) REGULATIONS.—Not later than one year after the date of enactment of this Act, the Secretary of Energy shall develop a plan and adopt rules and procedures for establishing and operating the SIRF.

(i) PROGRAM REVIEW.—Every two years the Secretary shall report to the Congress on the status and progress of the SIRF.

(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $85,000,000 for fiscal year 2008, $185,000,000 for fiscal year 2009, and $185,000,000 for fiscal year 2010.

Subtitle F—Energy Savings Performance Contracting

SEC. 161. DEFINITION OF ENERGY SAVINGS.

Section 804(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(2)) is amended—

(1) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and indenting appropriately;

(2) by striking ''means a reduction'' and inserting ''means—

''(A) a reduction'';

(3) by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

''(B) the increased efficient use of an existing energy source by cogeneration or heat recovery, and installation of renewable energy systems;

''(C) the sale or transfer of electrical or thermal energy generated onsite but in excess

of Federal needs, to utilities or non-Federal energy users; and

''(D) the increased efficient use of existing water sources in interior or exterior applications.''.

SEC. 162. FINANCING FLEXIBILITY.

Section 801(a)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)(2)) is amended by adding at the end the following:

''(E) SEPARATE CONTRACTS.—In carrying out a contract under this title, a Federal agency may—

''(i) enter into a separate contract for energy services and conservation measures under the contract; and

''(ii) provide all or part of the financing necessary to carry out the contract.''.

SEC. 163. REPORTING.

Section 548(a)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)(2)) is amended by inserting ''and any termination penalty exposure'' after ''the energy and cost savings that have resulted from such contracts''.

Subtitle G—Reauthorizations

SEC. 171. LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM.

Section 2602(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(b)) is amended by striking ''and $5,100,000,000 for each of fiscal years 2005 through 2007'' and inserting ''and $5,100,000,000 for each of fiscal years 2007, 2008, 2009, 2010, 2011, and 2012''.

SEC. 172. WEATHERIZATION ASSISTANCE PROGRAM.

Section 422 of the Energy Conservation and Production Act (42 U.S.C. 6872) is amended by striking ''$500,000,000 for fiscal year 2006, $600,000,000 for fiscal year 2007, and $700,000,000 for fiscal year 2008'' and inserting ''$600,000,000 for fiscal year 2007, and $750,000,000 for each of fiscal years 2008, 2009, 2010, 2011, and 2012''.

SEC. 173. STATE ENERGY PROGRAMS.

Section 365(f) of the Energy Policy and Conservation Act (42 U.S.C. 6325(f)) is amended by striking ''$100,000,000 for each of the fiscal years 2006 and 2007 and $125,000,000 for fiscal year 2008'' and inserting ''$125,000,000 for each of the fiscal years 2007, 2008, 2009, 2010, 2011, and 2012''.

Subtitle H—Technical Corrections

SEC. 181. TECHNICAL CORRECTIONS.

(a) Section 135(a)(1)(A)(ii) of the Energy Policy Act of 2005 (Public Law 109–58) is amended by striking ''C78.1–1978(R1984)'' and inserting ''C78.3–1978(R1984)''.

(b) Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295) (as amended by section 135(c)(4) of the Energy Policy Act of 2005) is amended—

(1) in subsection (v)—

(A) in the subsection heading, by striking ''CEILING FANS AND'';

(B) by striking paragraph (1); and

(C) by redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively; and

(2) in subsection (ff)—

(A) in paragraph (1)(A)—

(i) by striking clause (iii);

(ii) by redesignating clause (iv) as clause (iii); and

(iii) in clause (iii)(II) (as so redesignated), by inserting ''fans sold for'' before ''outdoor''; and

(B) in paragraph (4)(C)—

(i) in the matter preceding clause (i), by striking ''subparagraph (B)'' and inserting ''subparagraph (A)'';

(ii) by striking clause (ii) and inserting the following:

''(ii) shall be packaged with lamps to fill all sockets.'';

(C) in paragraph (6), by redesignating subparagraphs (C) and (D) as clauses (i) and (ii), respectively, of subparagraph (B); and

(D) in paragraph (7), by striking ''327'' the second place it appears and inserting ''324''.

TITLE II—ENERGY INFORMATION ENHANCEMENT

SEC. 201. FINDINGS.

The Congress finds that—

(1) the Energy Information Administration's data is critical not merely for analysis of the role of energy in our economy and environment, but for the effective functioning of energy markets.

(2) Federal and State policymakers rely on the Energy Information Administration to collect and report State level energy information needed for energy policymaking, compliance with Federal and

State mandates, and for purposes of emergency energy assurance;

(3) as policymakers consider and implement policies to cut greenhouse gas emissions, accurate, timely, and comparable State energy information becomes even more important;

(4) new sources of information about energy demand and supply have become available and need to be incorporated in the Energy Information Administration's data and analysis functions;

(5) the Energy Information Administration needs to maintain its ability to collect, process, and analyze data while confronting broader demands for information in greater detail; and

(6) budget constraints have forced the Energy Information Administration to curtail surveys relied upon by financial markets and could defer important improvements in the scope and quality of resulting information.

SEC. 202. ASSESSMENT OF RESOURCES.

(a) IN GENERAL.—The Administrator of the Energy Information Administration shall conduct an independent, comprehensive assessment of the resources, both in terms of dollars and manpower, required to upgrade the quality,

scope, and technologies necessary to produce energy information needed for efficient and evolving energy markets.

(b) 5-YEAR PLAN.—The Administrator of the Energy Information Administration shall establish a 5-year plan to enhance the quality and scope of the data collection necessary to ensure the scope, accuracy, and timeliness of the information needed for efficient functioning of energy markets and financial operations. Particular attention shall be paid to restoring data series terminated because of budget constraints, improvements in the area of oil and gas data, and the ability to provide data mandated by Congress.

(c) SUBMITTAL TO CONGRESS.—The Administrator shall submit this plan to Congress detailing improvements needed to bring the Energy Information Administration up to the standards of other statistical agencies in its ability to collect and process energy information in a manner consistent with the needs of energy markets.

(d) GUIDELINES AND STANDARDS.—The Administrator shall—

(1) establish guidelines and standards to ensure the quality and scope of State energy data, including data on energy production and consumption by product and sector and renewable and alternative

sources, required to provide a comprehensive, accurate energy profile at the State level;

(2) assess any existing gaps in data obtained by and compiled by the Energy Information Administration; and

(3) evaluate the most cost effective ways to address any data quality and quantity issues in conjunction with State officials.

The Energy Information Administration shall consult with State officials on a regular basis in establishing these guidelines, standards, and scope of State level data, as well as in exploring ways to address data needs.

(e) ASSESSMENT OF STATE DATA NEEDS.—The Administrator shall provide an assessment of these State-level data needs to the Congress not later than 1 year after the date of enactment of this Act, detailing a plan to address the needs identified.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator for carrying out this section, in addition to any other authorizations—

(1) $10,000,000 for fiscal year 2008;

(2) $10,000,000 for fiscal year 2009;

(3) $10,000,000 for fiscal year 2010;

(4) $15,000,000 for fiscal year 2011;

(5) $20,000,000 for fiscal year 2012; and

(6) such sums as are necessary for subsequent fiscal years.